



Department of Housing and Urban Development – Alphonso Jackson, Secretary
Office of Public Affairs, Washington, DC 20410

HUD No. 04-113

Donna White

(202) 708-0685

<http://www.hud.gov/news/index.cfm>

FOR RELEASE

Wednesday

October 13, 2004

NEW MEXICO HOUSING AUTHORITY NAMED BEST IN U.S.

Bernalillo County Has the Most Housing Choice Homeownership Closings in the Nation

FT. WORTH, Texas – U.S. Housing and Urban Development Assistant Secretary Michael Liu today presented a certificate of appreciation and \$84,000 to Bernalillo County Housing Department in recognition of having the most homeownership closings in the entire country. The housing authority has helped 79 families become homeowners through HUD's Housing Choice Voucher Homeownership (HCVH) program.

"The Bernalillo County Housing Department is exemplary in its implementation of a program of that truly changes lives," said Liu who heads up HUD's Office of Public and Indian Housing. "It has shown families with drive and perseverance the dream of homeownership can become a reality."

Liu presented the housing department \$84,000 as an incentive to continue the success of its Housing Choice Voucher Homeownership program (HCVH). Bernalillo County was the first public housing authority (PHA) in the state of New Mexico to administer the homeownership program. To encourage homeownership among public housing authorities, each housing authority is provided a \$5,000 bonus for participation and \$1,000 per home closing in their region. This financial incentive from HUD will be used for administrative costs incurred by the program and to continue to promote homeownership to other residents.

Nationally, the HCVH program has helped more than 2,000 families nationwide become homeowners since it began as a pilot at 15 PHAs in the late 1990s. It was rolled out nationwide in 2001 and now more than 350 PHAs administer local programs.

The HCVH program is a component of the Housing Choice Voucher program, formerly known as Section 8. It is designed to promote and support first-time homebuyers. Under this initiative, PHAs make monthly homeownership assistance payments to help first-time homeowners with monthly expenses, instead of making monthly payments on behalf of families to assist with rent. Monthly expenses include the principal and interest on the mortgage debt, real estate taxes and insurance, and the PHA established allowances for utilities, routine maintenance, and major repairs and replacements.

(more)

Like the conventional Section 8 program, homeowners pay 30 percent of their income toward their monthly mortgage payment. The voucher covers the remainder of the monthly mortgage. Homeowners receive in mortgage subsidy the same amount they would get in rental subsidy. To qualify, the voucher holders must have sufficient savings to cover at least 1 percent of the housing cost as down payment and closing costs. Under the program's guidelines, applicants must be employed full-time for at least a year and have an annual household income of at least \$10,300.

HUD is the nation's housing agency committed to increasing homeownership, particularly among minorities; creating affordable housing opportunities for low-income Americans; and supporting the homeless, elderly, people with disabilities and people living with AIDS. The Department also promotes economic and community development as well as enforces the nation's fair housing laws. More information about HUD and its programs is available on the Internet at www.hud.gov and espanol.hud.gov.

#